

EXHIBIT L

SUPERIOR COURT OF NEW JERSEY
CIVIL ACTION

PICATINNY FEDERAL

CREDIT UNION

Plaintiff,

vs

FEDERAL NATIONAL
MORTGAGE ASSOCIATION,

Defendant.

ORIGINAL

MRS-L-713-09
CIVIL ACTION

The deponent did
not read and sign
this deposition
transcript.

PART 1 PG. 1 TO PG. 200

DEPOSITION OF
JOHN GANG
WASHINGTON, D C
FRIDAY, DECEMBER 4, 2009

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REPORTED BY: DONNA M. LEWIS, RPR

FILE NO.: A30AFA1

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FEDERAL NATIONAL) CIVIL ACTION
MORTGAGE ASSOCIATION,)
Defendant.)

Deposition of JOHN GANG, taken on behalf
of the Plaintiff at 555 11th Street, NW, Suite
1000, Washington, DC at 9:08 a.m. before Donna M.
Lewis, RPR.

A P P E A R A N C E S

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1 other time period?

2 MR. FORTE: If it ever changed but I'm
3 referring to today?

4 THE WITNESS: Do you mean the document
5 certification?

6 BY MR. FORTE:

7 Q Well, I think it has been referred to
8 me, that the information given to me as the loan
9 certification group, but if you want to call it
10 the document certification group, that is fine.

11 A A function that FannieMae performs is to
12 validate when we buy our loan whether the physical
13 document collaterals match the information we are
14 getting to buy securitized loans.

15 Q Does that group do anything other than
16 matching the information that it receives from the
17 seller?

18 A Actually the group we -- at Fannie Mae,
19 no Fannie Mae employees would actually do that
20 certification process in today's world?

21 Q Okay. In other words that is automated?

1 is still there, Anita Cooper was another manager.

2 Q Anita --

3 A Cooper.

4 Q Cooper. And was she underneath Stacy
5 Largent?

6 A Yes. And Stacy left about a year ago,
7 year and a half ago. So below Stacy and Anita and
8 Selene as the managers, it wasn't them. It was
9 somebody working in their organization.

10 Q Okay. We will pick up there after the
11 break.

12 MR KRAUS: Ten minutes, okay.

13 (Whereupon, recess occurred from
14 10:37 a.m. until 10:50 a.m.)

15 (Court reporter read back the requested
16 portion)

17 BY MR. FORTE:

18 Q We were talking about the assignment of
19 work. It arrives in the Herndon facility?

20 A Yes, Herndon.

21 Q And that is called the document delivery

1 facility?

2 A Yes.

3 Q Now, what is exactly sent by the seller
4 to the document delivery facility? What is
5 required to be sent?

6 MR KRAUS: Objection. One question or
7 the other.

8 BY MR. FORTE:

9 Q Fair enough. What is required to be
10 sent to the document delivery facility by the
11 seller?

12 A The requirement is to send a note. If
13 that note has a rider attached to it, an arm,
14 would typically have an armed rider and you would
15 include that. So at a base level those legal
16 documents are transmitted as well as an assignment
17 in some cases.

18 Q Assignment of mortgage?

19 A Correct.

20 Q And if the seller is not the originator
21 of the loan, the party that actually funded the

1 loaned, what would be required to be sent by the
2 seller?

3 A Those same documents.

4 Q Okay. Would you also require -- or
5 would Fannie Mae also require an allonge or an
6 endorsement on the note?

7 A The endorsement, yes, would be part of
8 that document stream or in some cases included as
9 allonge, as an allonge on that document stream.

10 Q And the allonge would be from who to
11 whom?

12 A It really allows us to track, to trail a
13 title.

14 Q By allonge we are referring to a
15 document that is affixed to the note that reflects
16 the transfer of the note from one party to
17 another; is that your understanding?

18 A I don't know if that is the only reason
19 we would get an allonge. But in some cases that
20 endorsement is included on the allonge.

21 Q I wasn't asking for that. I think you

1 answered a different question. I was asking for
2 your understanding of an allonge. What do you
3 understand an allonge is?

4 A An allonge is an attachment to the note.

5 Q For what purpose?

6 A My understanding is that a variety of
7 purposes in the one that we have talked about is
8 to provide an endorsement.

9 Q So if the note is made out to my client,
10 Picatinny Federal Credit Union and the loan is
11 being sold by US Mortgage, would an allonge be
12 required by US Mortgage to deliver to the document
13 delivery facility?

14 A To be clear, what it is made out to
15 Picatinny, what does it mean?

16 Q The note is issued to the order of
17 Picatinny Federal Credit Union?

18 A If that language is in the note, but if
19 they are the originator.

20 Q Yes.

21 A That Is listed on the note, is that what

1 you are referring to?

2 Q Yes. We will use your term originator.

3 A Is there -- there is not always an
4 allonge required if, in fact, that endorsement can
5 be fit on the note.

6 Q Okay. So either if the note is to be
7 sold by US Mortgage to Fannie Mae, US Mortgage was
8 required to either have an endorsement from
9 Picatinny on the note or an allonge from Picatinny
10 attached to the note, correct?

11 A The requirement is that the endorsement
12 needs to be in the collateral we get. And there
13 is a couple different ways to fulfill that
14 requirement?

15 Q Well, tell me what other ways are there
16 than an endorsement on the note or an allonge
17 attached to the note?

18 A That is exactly what I said.

19 Q Okay. So those are the only two ways
20 that you know that the requirement can be filled?

21 A To my knowledge, yes.

1 of the seller, correct?

2 A Yes.

3 Q Does Fannie Mae or its certifiers as
4 you've described them keep a record of the persons
5 who are authorized to sign on behalf of a
6 particular entity?

7 MR KRAUS: Sign for what purpose?

8 BY MR. FORTE:

9 Q Sure. Sign an endorsement or an allonge
10 in connection with a note or loan sold to
11 Fannie Mae?

12 A Many cases those originators, we have no
13 knowledge and no engagement with that lender.
14 They are not Fannie Mae customers.

15 Q You have to answer my questions.

16 A No, we don't.

17 Q Thank you. So if, hypothetically, if
18 Michael McGrath signed on behalf of my client an
19 allonge in 2003, several allonges, when Michael
20 McGrath signs allonges again on behalf of my
21 client in 2007, would Fannie Mae have any record

1 that he had done that previously in 2003?

2 A No.

3 MR. KRAUS: I assume you mean some
4 record other than the note itself?

5 BY MR. FORTE:

6 Q Fair enough. Let's ask that question.
7 When an individual signs on behalf of a, signs an
8 allonge or an endorsement on behalf of the
9 originator, does Fannie Mae go back to see, pull
10 prior notes to see who signed on behalf of the
11 originator in connection with the certification
12 process?

13 A No.

14 MR KRAUS: You have to wait for him to
15 finish.

16 THE WITNESS: I thought he was finished.

17 MR. FORTE: No. Did you get the no to
18 that?

19 THE COURT REPORTER: Yes.

20 MR. FORTE: Thanks.

21

REPORTER'S CERTIFICATE

I, DONNA M. LEWIS, RPR No. 16531, Certified
Shorthand Reporter, certify: That the foregoing
proceedings were taken before me at the time and
place therein set forth, at which time the
witness, John Gang was put under oath by me;

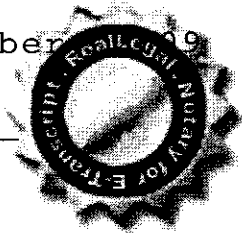
That the testimony of the witness, the
questions propounded, and all objections and
statements made at the time of the examination
were recorded stenographically by me and were
thereafter transcribed;

That the foregoing is a true and correct
transcript of my shorthand notes so taken.

I declare under penalty of perjury under the
laws of the District of Columbia that the
foregoing is true and correct.

Dated this 18th day of December, 2009

Donna M. Lewis
Donna M. Lewis, RPR



My commission expires:
March 14, 2013